

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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LEADENHALL CAPITAL PARTNERS LLP :  
and LEADENHALL LIFE INSURANCE :  
LINKED INVESTMENTS FUND PLC, : 24 Civ. 3453 (JGK)(BSM)  
  
Plaintiffs, :  
  
v. :  
  
JOSH WANDER, STEVEN PASKO, :  
KENNETH KING, 777 PARTNERS LLC, :  
600 PARTNERS LLC, SPLCSS III LLC, SIGNAL :  
SML 4 LLC, INSURETY AGENCY SERVICES :  
LLC, DORCHESTER RECEIVABLES II LLC, :  
SUTTONPARK CAPITAL LLC, SIGNAL :  
MEDICAL RECEIVABLES LLC, INSURETY :  
CAPITAL LLC, SUTTONPARK SERVICING LLC, :  
and ADVANTAGE CAPITAL HOLDINGS LLC, :  
  
Defendants. :  
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**THE 777 ENTITY DEFENDANTS' MEMORANDUM OF LAW IN  
OPPOSITION TO PLAINTIFFS' CONTEMPT MOTION**

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Defendants 777 Partners LLC (“777 Partners”) and Defendant 600 Partners LLC (“600 Partners,” together with 777 Partners, the “Guarantors”) respectfully submit this memorandum of law in opposition to Motion For Contempt Against The Guarantors, A-CAP And Kenneth King (ECF No. 210, “Contempt Motion”) filed by Plaintiffs Leadenhall Capital Partners LLP and Leadenhall Life Insurance Linked Investments Fund PLC (collectively “Leadenhall”). The Guarantors submit herewith the Declaration of Mark Shapiro, executed on May 16, 2025, and the exhibits annexed thereto, and the Declaration of John G. McCarthy, executed on May 16, 2025, and the exhibits annexed thereto, in opposition to the Contempt Motion. The Guarantors also rely on the points and legal authorities contained in the argument section of the brief in opposition of Defendants Advantage Capital Holdings LLC and Kenneth King.

In addition, the 777 Entity Defendants are compelled to set the record straight as to the now-settled lawsuit entitled *777 Partners, et ano. v. Leadenhall Capital Partners LLP, et al.*, Case No. 24-cv-81143-DMM (the “Florida Action”). As Mark Shapiro explains in his declaration, the decision to settle with Leadenhall was based on a cost benefit analysis as to the cost of continuing the lawsuit through trial. (Shapiro Dec. n. 1.) Many of the claims involved in the Florida Action involved fee-shifting positions. If Leadenhall thought a trial would clear its name, or that it would prevail on its pending summary judgment, it could have (and would have) declined to settle.

Instead, the evidence in the Florida Action established that Leadenhall’s dealings with 777 Partners and SuttonPark Capital LLC (“SuttonPark”) during the 2023-2024 collateral audit were dishonest and deceitful. Leadenhall engaged Saiph Consulting LLC (“Saiph”) [REDACTED]

[REDACTED] (Declaration of John G. McCarthy, executed on May 16, 2025 (“McCarthy Dec.”), Ex. A at 215:3-228:11; McCarthy Dec., Ex. B.) Saiph is principally owned

by Paul Kosinski, Jr., a former Sutton Park executive, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Noah Davis (the Florida Action defendant who surreptitiously infiltrated 777 Partners' computer systems) [REDACTED]

[REDACTED]

[REDACTED] (McCarthy Dec., Ex. A at 217:6-218:9, 229:15-233:17; McCarthy Dec., Exs. B & E.)

Contrary to Leadenhall's protestations before this Court that portrayed Davis as only an "IT contractor" for Saiph and a disgruntled former employee of 777 Partners (10/2/24 Tr. at 32:4-5; 32:10) and claimed Leadenhall was "[a]bsolutely not" involved in the data intrusions at issue in the Florida Action (10/2/24 Tr. at 30:22-31:25, 32:13-15), the evidence uncovered in the Florida Action showed otherwise.

In 2024, Leadenhall knew that Davis, who had left 777 Partners, was working for Saiph. On May 30, 2024, Saiph made a proposal to Leadenhall which contained an "Employee Organizational Chart" identifying Davis as "Director of IT." (McCarthy Dec., Ex. F at 113:1-14; 114:1-6; McCarthy Dec., Ex. G.) Davis's agreement with Saiph required him to work exclusively

for Saiph during its three-month term (McCarthy Dec., Ex. F at 104:11-25; 106:8-11; McCarthy Dec., Ex. H) and Saiph required Davis to sign its employee handbook. (McCarthy Dec., Ex. F at 102:13-103:8.)

On June 6, 2024, Leadenhall and Saiph entered into an amended consulting agreement that required Saiph to "Collect all necessary information and data to allow [Leadenhall] to facilitate a potential transfer of servicing." (McCarthy Dec., Ex. F at 43:15-44:11; McCarthy Dec., Ex. I at 12.) On June 25, 2024, two representatives of Leadenhall, Managing Partner Craig Gillespie and Vice President Tom Foot, met all day at the Saiph office in Florida and Davis participated in that meeting. (*See* McCarthy Dec., Ex. A at 174:25-175:12, 179:11-20; McCarthy Dec., Ex. J at 120:2-9; McCarthy Dec., Ex. F at 144:25-146:13.) The week prior to this meeting, Davis and Kosinski chatted on MicroSoft Teams about using a "back-channel" to obtain SuttonPark's data specifically for Leadenhall, specifically referencing this action and noting the "big week ahead" during which meetings with Leadenhall would take place. (McCarthy Dec., Ex. F at 131:8-133:6; McCarthy Dec., Ex. K.) A log produced pursuant to a subpoena by the so-called "back-channel" revealed that on the very day he met with Leadenhall at Saiph's office, Davis downloaded the most recent backup copy of SuttonPark's MPFin database. (McCarthy Dec., Ex. L.) On June 26-27, 2024, while Gillespie and Foot were still in Florida with Saiph, Davis used 777 Partner's credentials to download more than 126,000 of SuttonPark's files. (McCarthy Dec., Ex. M at 3.) Davis's first intrusion directly into the systems of 777 Partners and SuttonPark took place on Friday that week, June 28. (McCarthy Dec., Ex. N at 3.) Less than two weeks after his in-person meeting with Gillespie and Foot, Davis targeted, *inter alia*, the MicroSoft Outlook .OST file (containing stored emails) on Defendant Steve Pasko's laptop. (*Id.* at 4 (Event #3).) Eventually, Leadenhall filed its Amended Complaint, which contained 124 references to Pasko not previously contained in the

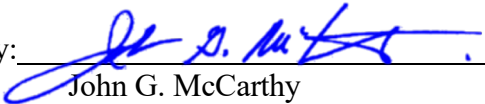
Complaint. Leadenhall “made no secret” of using in this litigation “information uncovered” around the time of the intrusions by other codefendants in the Florida Action.<sup>1</sup> Resp. to Mot. to Compel, *777 Partners LLC and SuttonPark Cap. LLC vs. Leadenhall Cap. Partners et al.*, Case No. 24-cv-81143, ECF No. 143 at 5, (S.D. Fla. Mar. 4, 2025); McCarthy Dec., Ex. A at 376:24-377:21 ( [REDACTED] ).

### **CONCLUSION**

The Guarantors respectfully request that the Court deny the Contempt Motion in its entirety.

Dated: New York, New York  
May 16, 2025

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<sup>1</sup> Discovery also revealed that in early June, after the onsite collateral audit had begun at SuttonPark, Tom Spreutels of Leadenhall and Kosinski spoke by telephone the day after Kosinski wrote “you were going to discuss a few things with counsel which will guide my review.” (McCarthy Dec., Ex. F at 121:5-122:23; McCarthy Dec., Ex. O.)

**CERTIFICATE OF WORD COUNT COMPLIANCE**

We certify that this memorandum of law complies with II.D. of the Individual Practices of Judge John G. Koeltl and according to Microsoft Word contains 1,055 words exclusive of the caption, tables, and signature blocks.

Dated: New York, New York  
May 16, 2025

By: /s/ John G. McCarthy  
John G. McCarthy